

Palm Hills Developments successfully concludes EGP 472.5 million Securitized Bond with EFG Hermes

Cairo, July 19, 2023

Palm Hills Developments (PHD), a leading real estate developer in Egypt and, EFG Hermes, the leading investment bank franchise in Frontier and Emerging Markets (FEM), jointly announced today the successful closing of an EGP 472.5 million securitized bond. The issuance is structured as follows:

- Tranche A – valued at EGP 49.61 million with a tenor of 13 months and a credit rating of AA+ from Middle East Ratings and Investors Service (MERIS)
- Tranche B – valued at EGP 137.02 million with a tenor of 36 months and a credit rating of AA from MERIS
- Tranche C – valued at EGP 285.86 million with a tenor of 84 months and a credit rating of A from MERIS

Commenting on the issuance, **Tarek Tantawy, Co-CEO and Managing Director of Palm Hills Developments**, said: “We are pleased to once again be partnering with EFG Hermes for this securitization issuance, which marks an important milestone for PHD. This collaboration not only diversifies our funding sources but also highlights our commitment to growth within the Egyptian real estate sector. We look forward to leveraging this strategic financing opportunity to further strengthen our market position and enhance our projects portfolio.”

Maie Hamdy, Managing Director - Debt Capital Markets at EFG Hermes, commented: “This transaction marks the beginning of a key program that will enable PHD to further strengthen its position in the market and capitalizes on a long-standing relationship with the leading Egyptian developer. The issuance was met with strong interest from investors, reflecting the confidence in both EFG Hermes' track record and PHD's solid performance within the Egyptian real estate sector. As a leading financial institution, EFG Hermes continues to leverage its extensive expertise and deep market knowledge to drive impactful financial solutions that facilitate business expansion and generate sustainable value for its partners.”

EFG Hermes acted as the sole financial advisor, bookrunner, and underwriter. ALC-Alieldean Weshahi & Partners acted as the transaction's legal advisor, while KPMG acted as the auditor. National Bank of Egypt (NBE), Arab African International Bank (AAIB), and Al Baraka Capital acted as the underwriting banks, with Al Baraka Bank acting as a subscriber to the issuance. AAIB was also the transaction's custodian.

—Ends—

With a current footprint spanning 12 countries across four continents, EFG Holding (EGX: HRHO.CA – LSE: EFGD) has grown over 39 years of success to transform from a pure-play investment bank in MENA into an impact-driven universal bank in Egypt with the leading investment bank franchise in Frontier and Emerging Markets (FEM). Drawing on our proven track record and a diverse team of talented employees, we are a financial enabler providing a broad spectrum of financial services, including advisory, asset management, securities brokerage, research, and private equity, to the entire FEM region. In our home country, we have the fastest-growing non-bank financial institutions (NBFI) platform, with operations covering microfinance, leasing, factoring, leading lifestyle-enabling fintech solutions in Egypt, digital payment solutions, mortgage finance, and insurance.

And with its latest acquisition of a majority stake in aiBANK, the Firm was able to provide commercial banking products and services.

Through its three verticals, the Investment Bank, Non-Bank Financial Institutions (NBFI), and Commercial Bank, the group is perfectly positioned to consistently bring disruptive financial products and services to the market space, offering a holistic portfolio that best serves its growing base of individual clients and businesses of all sizes.

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Learn more about us at www.efghermes.com

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Note on Forward-Looking Statements

In this press release, EFG Holding may make forward-looking statements, including, for example, statements about management's expectations, strategic objectives, growth opportunities, and business prospects. These forward-looking statements are not historical facts but instead represent only EFG Holding's belief regarding future events, many of which, by their nature, are inherently uncertain and are beyond management's control and include, among others, financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions and the effect of current, pending, and future legislation, regulations and regulatory actions. Accordingly, the readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made.

About Palm Hills Developments

Palm Hills Developments ("PHD"), a leading real estate developer in Egypt, is a joint stock company established in 1997. The Company builds integrated communities and has one of the most diversified land bank portfolios, spreading over 29 million square meters ("sqm"). PHD's product offerings include primary homes in West Cairo, East Cairo and Alexandria, as well as secondary homes on the North Coast (Mediterranean Sea).

As at end of 1Q2023, PHD delivered more than 14,000 units within its developments. Today, PHD has several projects under development in West Cairo, East Cairo, North Coast and Alexandria, in addition to co-development projects, translating into a sales backlog of c.EGP24 billion. PHD is listed and traded on the Egyptian Stock Exchange under the symbol "PHDC.CA".

For more information, please visit: <http://www.palmhillsdevelopments.com>

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